



FAIR POLITICAL PRACTICES COMMISSION

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March 8, 2010

Gregory Luke

Strumwasser & Woocher LLP

✓ o/b/o Christopher Robles and Montebello Families for Chris Robles

REDACTED

RE: Warning Letter

**FPPC Case No. 05/166: Montebello Families for Chris Robles, ID#1256212
and California Alliance for Renewable Energy Sources, ID#1271645**

Dear Mr. Luke:

The Fair Political Practices Commission ("Commission") enforces the provisions of the Political Reform Act (the "Act") found in Government Code Section 81000, and following. As you may be aware, the Enforcement Division of the Commission has been investigating a complaint received by the Commission regarding whether the Montebello Families for Chris Robles Committee ("Montebello Committee") violated the Act by failing to properly report contributions and timely file campaign statements and whether California Alliance for Renewable Energy Sources Committee ("CARES") violated the Act by coordinating an expenditure with a candidate.

The Commission has completed its investigation into this case. Specifically, the Commission has determined that the Committee has failed to file campaign statements since the election in 2003 and violated the campaign bank account rules regarding a contribution received by the candidate, Mr. Chris Robles. In addition, the Commission's investigation found that during 2004 and 2005, Mr. Robles caused and aided and abetted in the violations of the CARES committee and its treasurers, including (1) the failure to fulfill the treasurer duties requirements of the Act, (2) the failure to file periodic campaign statements, (2) the failure to properly report an expenditure made for a mailer opposing Richard Rubin, a candidate for Marin County Water Board in 2004, as an independent expenditure instead of a contribution, and (3) failure to include proper sender identification on the mailer.

The Act requires that candidates and their committees file campaign statements at periodic intervals until the committee is terminated. (Sections 84200 – 84206.) Section 85201, subdivision (c), requires that all contributions received by a committee shall be deposited into the campaign bank account. The Act also requires that treasurers prepare or review campaign statements in order to sign and verify the statements under penalty of perjury. (Section 81004.)

In addition, Section 83116.5 of the Act extends liability for violations of its provisions to any person "who purposely or negligently causes any other person to violate any provision of this title, or who aids and abets any other person in the violation...."

According to records from the Secretary of State's Office and the Montebello City Clerk, the Montebello Committee has never terminated and has not filed campaign statements since the 2003 Montebello City Council election. Also, the investigation revealed that a contribution solicited for the Montebello Committee was incorrectly deposited into the bank account of Mr. Robles' business, The Pericles Group, in violation of the campaign bank account rules of the Act. Since this committee is no longer active, a termination statement should be filed to end the Montebello Committee's filing requirements. However, the Montebello Committee has not had activity since the election in 2003, in which the candidate, Chris Robles, lost, and the contribution that was incorrectly reported was a small percentage of the total amount of the campaign.

In addition, Mr. Robles recruited three different individuals to be treasurers and assistant treasurers of CARES and led them to believe that they had no treasurer duties beyond signing the cover pages of the CARES campaign statements, thereby purposely or negligently causing them to neglect, or aiding and abetting their neglect of, their duties as campaign treasurers. Mr. Robles prepared the campaign statements and, in most cases, supplied only cover pages for the treasurer's or assistant treasurer's signature. Mr. Robles misrepresented the role of treasurer and assistant treasurer as lacking any significant duties so that the three individuals would sign the campaign statements while he retained signatory authority over the campaign bank account. Indeed, Mr. Robles signed all the checks from the CARES bank account. Through his actions, Mr. Robles purposely or negligently caused another to violate the treasurer duties provisions of the Act while he and his company, The Pericles Group, received compensation for services provided to CARES. However, after a review of the facts and evidence produced by the investigation, and because the age of these violations precludes commencing with prosecution, the Commission has decided to close this case with this warning letter.

This letter serves as a written warning. The information in this matter will be retained and may be considered should an enforcement action become necessary based on newly-discovered information or future conduct. Failure to comply with the provisions of the Act in the future could result in monetary penalties up to \$5,000 per violation.

A warning letter is a Commission resolution without administrative prosecution or fine. However, the warning letter resolution does not provide you with the opportunity for a probable cause hearing or hearing before an Administrative Law Judge or the Commission. If you wish to avail yourself of these proceedings by requesting that your case proceed with prosecution rather than a warning, please notify us within ten (10) days from the date of this letter. Upon this notification, the Commission will rescind this warning letter and proceed with administrative prosecution of this case. If we do not receive such notification, this warning letter will be posted on the Commission's website ten (10) days from the date of this letter.

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If you have any questions regarding this matter, please feel free to contact me at 916-322-5660.

Sincerely,

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/ Galena West
Senior Commission Counsel
Enforcement Division